

AMENDED IN SENATE APRIL 29, 2009

AMENDED IN SENATE APRIL 14, 2009

**SENATE BILL**

**No. 516**

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**Introduced by Senator DeSaulnier**  
(Coauthor: Assembly Member Torlakson)

February 26, 2009

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~~An act to add and repeal Article 4 (commencing with Section 18730)~~  
*An act to add and repeal Article 4.5 (commencing with Section 18736)*  
of Chapter 3 of Part 10.2 of the Revenue and Taxation Code, and to  
add Chapter 4 (commencing with Section 2200) to Division 2.5 of the  
Welfare and Institutions Code, relating to the California Youth  
Legislature.

LEGISLATIVE COUNSEL'S DIGEST

SB 516, as amended, DeSaulnier. California Youth Legislature.

Existing law establishes the California Senior Legislature to provide model legislation for older citizens and advocate for the needs of seniors. This law establishes in the State Treasury the California Fund for Senior Citizens to receive contributions from tax return designations to support the sessions of the California Senior Legislature. *Existing law authorizes individual tax payers to contribute amounts in excess of their tax liability for the support of specified funds or accounts.*

This bill would establish the California Youth Legislature, composed of students ages 14 to 18 years, inclusive, and, subject to specified considerations, appointed by Members of the Legislature, to provide model legislation and advocate for the needs of youth. The California Youth Legislature would be charged with examining and discussing policy and fiscal issues affecting the interests, needs, and conditions of the youth of California and to formally advise and make

recommendations to the Legislature and the Governor on specific issues affecting youth. The bill would authorize the California Youth Legislature to enter into an interagency agreement with a state entity to carry out necessary administrative functions. The bill would create in the State Treasury ~~until January 1, 2015,~~ the California Fund for Youth to receive contributions from tax return designations to support the sessions of the California Youth Legislature. *This bill would provide for the repeal of this contribution provision for this fund on January 1 of the 5th taxable year following the first appearance of the California Fund for Youth on the tax return or on January 1 of an earlier calendar year, if the Franchise Tax Board estimates that the annual contribution amount will be less than \$250,000, or an adjusted amount, as specified, for subsequent taxable years.* The bill also would authorize the California Youth Legislature to accept gifts and grants from any source to help perform its functions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Article 4.5 (commencing with Section 18736) is*  
2     *added to Chapter 3 of Part 10.2 of Division 2 of the Revenue and*  
3     *Taxation Code, to read:*

4  
5                     *Article 4.5. California Fund for Youth*

6  
7     18736. (a) Any individual may designate on the tax return that  
8     a contribution in excess of the tax liability, if any, be made to the  
9     California Fund for Youth, which is established by Section 18737.

10    (b) The contributions shall be in full dollar amounts and may  
11    be made individually by each signatory on a joint return.

12    (c) A designation under subdivision (a) shall be made for any  
13    taxable year on the original return for that taxable year, and once  
14    made shall be irrevocable. In the event that payment and credits  
15    reported on the return, together with any other credits associated  
16    with the individual's account, do not exceed the individual's tax  
17    liability, the return shall be treated as though no designation has  
18    been made.

19    (d) If an individual designates a contribution to more than one  
20    account or fund listed on the tax return, and the amount available

1 is insufficient to satisfy the total amount designated, the  
2 contribution shall be allocated among the designees on a pro rata  
3 basis.

4 (e) The Franchise Tax Board shall revise the form of the return  
5 to include a space labeled “California Fund for Youth” to allow  
6 for the designation permitted under subdivision (a). The form shall  
7 also include in the instructions information that the contribution  
8 may be in the amount of one dollar (\$1) or more and that the  
9 contribution shall be used to conduct the sessions of the California  
10 Youth Legislature and to support its ongoing activities on behalf  
11 of youth.

12 (f) Notwithstanding any other provision, a voluntary contribution  
13 designation for the California Fund for Youth shall not be added  
14 on the tax return until another voluntary contribution designation  
15 is removed.

16 (g) A deduction shall be allowed under Article 6 (commencing  
17 with Section 17201) of Chapter 3 of Part 10 for any contribution  
18 made pursuant to subdivision (a).

19 18737. There is hereby established in the State Treasury the  
20 California Fund for Youth to receive contributions made pursuant  
21 to Section 18736. The Franchise Tax Board shall notify the  
22 Controller of both the amount of money paid by taxpayers in excess  
23 of their tax liability and the amount of refund money that taxpayers  
24 have designated pursuant to Section 18736 to be transferred to  
25 the California Fund for Youth. The Controller shall transfer from  
26 the Personal Income Tax Fund to the California Fund for Youth  
27 an amount not in excess of the sum of the amounts designated by  
28 individuals pursuant to Section 18736 for payment into that fund.

29 18738. All moneys transferred to the California Fund for Youth  
30 pursuant to Section 18736, upon appropriation by the Legislature,  
31 shall be allocated as follows:

32 (a) To the Franchise Tax Board and the Controller for  
33 reimbursement of all costs incurred by the Franchise Tax Board  
34 and the Controller in connection with their duties under this article.

35 (b) The balance to the California Youth Legislature, for its  
36 ongoing activities on behalf of youth.

37 (c) All moneys allocated pursuant to subdivision (b) of this  
38 section may be carried over from the year in which they were  
39 received.

1     (d) *The funds allocated to the California Youth Legislature for*  
2 *the purpose of funding the activities of the California Youth*  
3 *Legislature shall be spent pursuant to the purview of the Joint*  
4 *Rules Committee of the California Youth Legislature in a manner*  
5 *consistent with the bylaws of the California Youth Legislature,*  
6 *established through a majority vote of the California Youth*  
7 *Legislature.*

8     18739. (a) *This article shall remain in effect only until January*  
9 *1 of the fifth taxable year following the first appearance of the*  
10 *California Fund for Youth on the tax return, and as of that date*  
11 *is repealed.*

12     (b) (1) *By September 1 of the second calendar year, and by*  
13 *September 1 of each subsequent calendar year that the California*  
14 *Fund for Youth appears on a tax return, the Franchise Tax Board*  
15 *shall do all of the following:*

16     (A) *Determine the minimum contribution amount required to*  
17 *be received during the next calendar year for the fund to appear*  
18 *on the tax return for the taxable year that includes that next*  
19 *calendar year.*

20     (B) *Provide written notification to the California Youth*  
21 *Legislature of the amount determined in subparagraph (A).*

22     (C) *Determine whether the amount of contributions estimated*  
23 *to be received during the calendar year will equal or exceed the*  
24 *minimum contribution amount determined by the Franchise Tax*  
25 *Board for the calendar year pursuant to subparagraph (A). The*  
26 *Franchise Tax Board shall estimate the amount of contributions*  
27 *to be received by using the actual amounts received and an*  
28 *estimate of the contributions that will be received by the end of*  
29 *that calendar year.*

30     (2) *If the Franchise Tax Board determines that the amount of*  
31 *contributions estimated to be received during a calendar year will*  
32 *not at least equal the minimum contribution amount for the*  
33 *calendar year, this article is repealed with respect to taxable years*  
34 *beginning on or after January 1 of that calendar year.*

35     (3) *For purposes of this section, the minimum contribution*  
36 *amount for a calendar year means two hundred fifty thousand*  
37 *dollars (\$250,000) for the second calendar year after the first*  
38 *appearance of the California Fund for Youth on the personal*  
39 *income tax return or the adjusted minimum contribution amount*  
40 *adjusted pursuant to subdivision (c).*

1 (c) For each calendar year, beginning with the third calendar  
2 year that the California Fund for Youth appears on the tax return,  
3 the Franchise Tax Board shall adjust, on or before September 1  
4 of that calendar year, the minimum estimated contribution amount  
5 specified in subdivision (b) as follows:

6 (1) The minimum estimated contribution amount for the calendar  
7 year shall be an amount equal to the product of the minimum  
8 contribution amount for the prior September 1 multiplied by the  
9 inflation factor adjustment as specified in paragraph (2) of  
10 subdivision (h) of Section 17041, rounded off to the nearest dollar.

11 (2) The inflation factor adjustment used for the calendar year  
12 shall be based on the figures for the percentage change in the  
13 California Consumer Price Index received on or before August 1  
14 of the calendar year pursuant to paragraph (1) of subdivision (h)  
15 of Section 17041.

16 (d) Notwithstanding the repeal of this article, any contribution  
17 amounts designated pursuant to this article prior to its repeal shall  
18 continue to be transferred and disbursed in accordance with this  
19 article as in effect immediately prior to that repeal.

20 ~~SECTION 1. Article 4 (commencing with Section 18730) is~~  
21 ~~added to Chapter 3 of Part 10.2 of the Revenue and Taxation Code,~~  
22 ~~to read:~~

23  
24 ~~Article 4. California Fund for Youth~~  
25

26 ~~18730. (a) Any individual may designate on the tax return that~~  
27 ~~a contribution in excess of the tax liability, if any, be made to the~~  
28 ~~California Fund for Youth established by Section 18731 to be used~~  
29 ~~to conduct the sessions of the California Youth Legislature and to~~  
30 ~~support its ongoing activities on behalf of youth.~~

31 ~~(b) The contribution shall be in full dollar amounts and may be~~  
32 ~~made individually by each signatory on the joint return.~~

33 ~~(c) A designation under subdivision (a) shall be made for any~~  
34 ~~taxable year on the initial return for that taxable year, and once~~  
35 ~~made shall be irrevocable.~~

36 ~~In the event that payments and credits reported on the return,~~  
37 ~~together with any other credits associated with the individual's~~  
38 ~~account, do not exceed the tax liability, if any, shown thereupon,~~  
39 ~~the return shall be treated as though no designation has been made.~~

~~(d) The Franchise Tax Board shall revise the forms of the return to include a space labeled the “California Fund for Youth” to allow for the designation permitted under subdivision (a). The forms shall also include in the instructions the information that the contribution may be in the amount of one dollar (\$1) or more and that the contribution will be used to conduct the sessions of the California Youth Legislature and to support its ongoing activities on behalf of youth.~~

~~(e) A deduction shall be allowed under Article 6 (commencing with Section 17201) of Chapter 3 of Part 10 for any contribution made pursuant to subdivision (a).~~

~~18731. There is hereby established in the State Treasury the California Fund for Youth to receive contributions made pursuant to Section 18730.~~

~~The Franchise Tax Board shall notify the Controller of both the amount of money paid by individuals in excess of their tax liability and the amount of refund money which individuals have designated pursuant to Section 18730 to be transferred to the California Fund for Youth. The Controller shall transfer from the Personal Income Tax Fund to the California Fund for Youth an amount not in excess of the sum of the amounts designated by individuals pursuant to Section 18730 for payment into that fund.~~

~~18732. (a) All moneys transferred to the California Fund for Youth pursuant to Section 18731, upon appropriation by the Legislature, shall be allocated as follows:~~

~~(1) To the Franchise Tax Board and the Controller for reimbursement of all costs incurred by the Franchise Tax Board and the Controller in connection with their duties under this article.~~

~~(2) The balance to the California Youth Legislature, for its ongoing activities on behalf of youth.~~

~~(b) All moneys allocated pursuant to paragraph (2) of subdivision (a) may be carried over from the year in which they were received and encumbered in any following year.~~

~~(c) The funds allocated to the California Youth Legislature for the purpose of funding the activities of the California Youth Legislature shall be spent pursuant to the purview of the Joint Rules Committee of the California Youth Legislature in a manner consistent with the bylaws of the California Youth Legislature, established through a majority vote of the California Youth Legislature.~~

1     ~~18733. This article shall remain in effect only until January 1,~~  
2     ~~2015, and as of that date is repealed, unless a later enacted statute,~~  
3     ~~that is enacted before January 1, 2015, deletes or extends that date.~~

4     SEC. 2. Chapter 4 (commencing with Section 2200) is added  
5     to Division 2.5 of the Welfare and Institutions Code, to read:

6  
7             CHAPTER 4. CALIFORNIA YOUTH LEGISLATURE  
8

9     2200. (a) The Legislature finds and declares that the needs of  
10    youth can best be assessed by California's youth.

11    (b) The Legislature recognizes that all young people need five  
12    key developmental resources in order to become productive  
13    citizens: caring adults, safe places, a healthy start, an effective  
14    education, and opportunities to help others. The Legislature further  
15    recognizes that young people who receive more of these  
16    developmental resources fare better than young people who receive  
17    fewer, and that those young people are more likely to avoid  
18    violence, contribute to their communities, and achieve high grades  
19    in school. The Legislature further recognizes the significant number  
20    of California's youth who live disadvantaged lives. Youth who  
21    are homeless, in the juvenile justice system, or in foster care have  
22    limited opportunities to participate in the policies process that  
23    ultimately impacts their well-being.

24    (c) The Legislature is alarmed that hundreds of thousands of  
25    California youth are among the two-thirds of America's children  
26    and youth recently identified by the America's Promise Alliance  
27    as not receiving sufficient developmental resources to safely put  
28    them on the path to adulthood. The Legislature also is concerned  
29    that the high school completion rate is less than 60 percent for  
30    low-income students and students of color in California, that gang  
31    and youth violence continue to be a concern and that after years  
32    of declining numbers, teen pregnancy rates are also on the rise.  
33    The Legislature is encouraged, however, by research indicating  
34    that providing more of the five developmental resources for more  
35    young people can help prevent many of these problems, and that  
36    millions of dollars in later prison, health, and welfare costs can be  
37    avoided by providing more developmental resources for more  
38    young people now.

39    (d) The Legislature also agrees with the America's Promise  
40    Alliance's call for greater collaboration and integration in working

1 to turn failure into action and improve the lives of young people  
2 at risk and with the actions of the more than 20 states that have  
3 committed their state resources for the creation of statewide entities  
4 charged with improving the developmental well-being of their  
5 children and youth.

6 (e) The California Youth Legislature shall be established through  
7 this chapter and shall operate according to the procedures set forth  
8 in this chapter to provide model legislation and advocate for the  
9 needs of youth.

10 2201. (a) The California Youth Legislature shall be composed  
11 of two houses, the California Youth Senate, composed of 40  
12 members, and the California Youth Assembly, composed of 80  
13 members.

14 (b) Members of the California Youth Legislature shall serve  
15 two-year terms.

16 (c) Members of the California Youth Legislature shall be ages  
17 14 to 18, inclusive, and currently enrolled in a California junior  
18 high, middle, or high school, or participating in a nonpublic,  
19 home-based educational program or a general equivalency degree  
20 program.

21 2202. (a) The members of the California Youth Legislature  
22 shall be appointed by the Legislature, with one member appointed  
23 by each Member of the Senate and each Member of the Assembly.

24 (b) Members of the Senate and Members of the Assembly, in  
25 making their appointments, shall take into consideration that the  
26 members of the California Youth Legislature represent the racial,  
27 ethnic, socioeconomic, cultural, physical, and educational diversity  
28 of California. Particular emphasis should be placed on reaching  
29 out to at-risk or disadvantaged youth to serve as members of the  
30 California Youth Legislature, as their participation will provide  
31 keen insight to many of the issues that youth face in their  
32 day-to-day lives.

33 2203. (a) The California Youth Legislature shall have the  
34 authority to define its program and utilize its funds in any way  
35 necessary to carry out the duties of this chapter, as long as the  
36 program or activity is not in violation of a state law or regulation.

37 (b) The California Youth Legislature shall do all of the  
38 following:

39 (1) Examine and discuss policy and fiscal issues affecting the  
40 interests, needs, and conditions of the youth of California.



(2) Formally advise and make recommendations to the Legislature and the Governor on specific issues affecting youth, including, but not limited to, all of the following:

- (A) Education.
- (B) Employment.
- (C) Access to state and local government services.
- (D) The environment.
- (E) Behavioral and physical health.
- (F) Safety.
- (G) Technology.
- (H) Criminal justice.
- (I) Homelessness.
- (J) Foster care.
- (K) Child welfare.
- (L) Emancipation.
- (M) Financial literacy.
- (N) Substance abuse.
- (O) Driver's license requirements.
- (P) Poverty.
- (Q) Increased youth participation in state and local government.
- (R) Any other policy or fiscal issues deemed appropriate by the Youth Legislature.

(3) Consult with any existing local level youth advisory commissions and community-based, grassroots youth-led organizations for input and potential solutions on issues related to youth.

(c) The Youth Legislature shall act as an information center on California youth policy and fiscal issues, including, but not limited to, the issues listed in subdivision (b).

2204. (a) The California Youth Legislature shall enter into a mutually agreed-upon interagency agreement with a state entity to carry out administrative duties related to its program.

(b) The California Youth Legislature shall identify the state entity for purposes of subdivision (a) by May 1, 2010, in order to meet the budget proposal cycle to achieve a transition of responsibilities in the 2011–12 fiscal year.

(c) This section does not preclude the California Youth Legislature from entering into mutually agreed-upon interagency agreements for any subsequent fiscal year.

1     2205. (a) The funds for the California Youth Legislature shall  
2     be allocated from the California Fund for Youth or private funds  
3     directed to the Legislature for the purpose of funding activities of  
4     the California Youth Legislature.

5     (b) The California Youth Legislature may accept gifts and grants  
6     from any source, public or private, to help perform its functions,  
7     pursuant to Section 2203.